

MINUTES  
Brattleboro Food Co-op Board of Directors  
Held via Zoom

Monday, August 3, 2020

Directors Present: Mark Adams, Mary Bené, Judy Fink, Denise Glover, Grace Koch, Skye Morse, Beth Neher, Tamara Stenn [*arrived late and experienced connectivity issues*], Jerelyn Wilson. Staff, Shareholders and Others Present: General Manager Sabine Rhyne; Board Administrator Sarah Brennan; Marketing and Community Relations Manager Jon Megas-Russell [partial]; Shareholders Sheila Adams, John Hatton, Ali Berlow, Melissa Lee, and Kathy Carr. *Note: Finance Manager Ken McGee unable to participate due to Hurricane Isaias.*

The meeting was called to order by President Jerelyn Wilson at 5:15. Guests introduced themselves.

1. **Agenda Review:** No changes made.
2. **Approval of Minutes:** Skye moved to accept the minutes of the July 6, 2020 meeting; Judy seconded. The motion to accept the minutes with reformatting edits passed unanimously.

Skye moved to accept the minutes of the July 13, 2020 meeting; Beth seconded. The motion to accept the minutes with no edits passed unanimously with one abstention (Mary).

3. **GM Update:** *We are currently open to foot traffic Monday – Sunday from 9 am – 7 pm. We offer next day curbside pickup Monday – Friday from 7 – 10; calls received Friday are for pickup on Monday. Online ordering is currently limited to six pickup slots per day.* Discussion focused on the following:
  - A. 401(k) Sabine noted that we are looking for a new administrator for our 401(k) plan.
  - B. Staffing changes: Some members of the Deli have shifted to working for other departments; not all were in response to a recent disciplinary action taken in the department.
  - C. Dottie's: We are breaking a long-term lease with the Town of Brattleboro by closing the location; the Town appreciates the long notice we have given.
  - D. Parking pavers: The new pavers will be positioned on top of a layer of crushed stone that will hold the form a little better than the sand that was there before. They should require less maintenance. The parking spaces will be angled and marked with either pavers or paint. You'll have to go around the lot to leave. This should be better for traffic in and out of the lot.
  - E. Holiday Planning: We are working on ways to reduce congestion in the store during the holidays, including offering pre-holiday sales and online initiatives. We may adjust our hours during Thanksgiving week. We currently have a bottleneck in the Front End; this will hopefully be eased by the end of this week.
  - F. Online Ordering: This supplements the curbside hotline. We are currently offering 6 pick-up slots per day. If we are able to offer discounts in conjunction with online orders, we are likely to impose a fee as well.

- G. Abolitionist challenge: All Board members are invited to participate in Columinate’s “Abolitionist Challenge” (read 6 books and take 6 actions over the course of 6 months; monthly online discussion via Zoom) using Board development funds. Jerelyn will follow up with Board members after this meeting.
- H. Financials: We are feeling a little more confident than we were two months ago. The favorable direct labor number is because we are a little short-staffed and trying to fill some positions.

#### 4. GM Monitoring Reports

A. Judy moved, and Beth seconded, to approve the monitoring report for QII 2 Financial Condition and Activities. Discussion highlights included the following:

- Cash, Debt to Equity ratio, and FY20 bottom line: Our Debt to Equity ratio is at .46 and we’d like it to be higher. This is a function of both COVID-related loans (from CFNE and PPP) and the 93K loss in Q4. We are doing well with cash management. FY20 Q1 – Q3 were strong and we have been able to withstand Q4 loss while still coming out in the black ever so slightly (pending auditor review).
- Health Equity: we transitioned to this Blue Cross-approved third party provider late last year.
- Current ratio is at 1:1 – this is great progress. This is due to careful cash management.
- Board Financial Training: while Columinate’s recent four-part webinar was helpful, it helps to learn the concepts in the context of our Co-op’s actual numbers. Tamara offered to facilitate a learning group to develop questions and answers. Jerelyn noted that Board members do need to understand some metrics on a month-to-month basis and others on a year-to-year basis.
- The Board discussed the merits of waiting to drill into the financials with Ken in depth before approving the monitoring report itself. Given that board members accepted Sabine’s interpretation statements and compliance data, it was decided to vote on the monitoring report while also scheduling a follow-up meeting to explore FY21 year-end numbers in more depth.

The motion carried unanimously.

B. Mary moved, and Denise seconded, to approve the monitoring report for QII 4 Asset Protection. Discussion highlights:

- Business interruption and liability insurance: as with all insurance matters, it’s not always worth it to file a claim; that said, we have successfully done so in the past (example: when our refrigeration system was down for three weeks several years ago). The project to fix the parking pavers has become a priority this year, if for no other reason than to demonstrate we are maintaining our infrastructure with an eye to safety.
- The ageing report refers to monies owed us.

The motion carried unanimously.

5. **Breakout Groups:** This exercise, in which Board members were to practice sharing their understanding of the Co-op's finances with shareholders, was passed over in the interest of time. It will be folded into the proposed financial report training sessions described above.
6. **Board Policy Monitoring:** Judy moved, and Beth seconded, to approve the QIV 12 Management Succession Monitoring Report. Discussion: none. The motion carried unanimously.
7. **Preparation for Upcoming Monitoring:** Jerelyn called Board members' attention to the policies to be monitored in September: QII 3 Relationship with Employees and QII 6 Shareholders. Board members with questions were advised to consult their mentor, Jerelyn, Judy, or Beth.
8. **Board Committees:**

A. Policy and Bylaws:

- There was apparently some confusion about the scope of the proposed change to Bylaw 8.2, as documented in a survey monkey conducted in between Board meetings. The bylaw calls for Board *officers* to serve two-year terms and the proposal is to change that to one year. Jerelyn will follow up with Tamara about her response to the survey [*Tamara was experiencing connectivity issues and was not present during this discussion*].
- Denise noted that she had misunderstood the question, and that her response should be changed accordingly

B. Member Recruitment

- Mary stated that Steffen Gillom intends to run for the Board this fall. He will be joining the Co-op this week.
- Running for the Board entails filling out a candidate statement that goes out to the voters; it covers why you are running and the direction you'd like to see the Co-op going. Materials are available on our website under "Join" – "Board of Directors".
- There will be four open seats this fall, and so far we are aware of three candidates running: Mary's seat (assuming she runs as an incumbent); Skye's seat (he is not running); Mark's (he was appointed to fill a seat until the 2020 election; he intends to run); and Grace's (she has had to step down; two years remain on her term). Tristan Roberts is undecided.

C. Shareholder Engagement:

- Demographic Information: Judy stated that after meeting with Jon and Sabine to review shopper survey and census data, she is impressed with how much we DO know about our shoppers. Send any questions or comments to her.
- Jon shared some key takeaways from the biennial shopper survey: our shoppers' demographics are shifting a bit, especially with respect to gender. Our shoppers are coming from farther away

which makes sense, given the situation on the Whetstone Pathway. We need to continue working on making more diverse hires and offering more products, whether in food or the Wellness Department, for people of different races and ethnicities. He cited cream cheese as an example of how all product categories should be: low-priced conventional offerings alongside premium local and organic options. We need better signage highlighting our lower-priced options, and we need to do more storytelling on social media. Ruth will be writing more articles on our different product lines.

- Annual Meeting planning: Board members should plan to attend the Annual Meeting on November 11 (a Wednesday). We'll get input from you outside of Board meetings.
  - Ends Committee: Beth is waiting for some input from Thane (our Columinate consultant) and should have something for the Board to review soon on the mission statement.
9. **What Would You Tell a Shareholder?** Board members shared what they would tell a shareholder about the meeting.
9. **Executive Session:** At 7:00, all guests, including Sabine and Sarah, were excused, and the Board entered Executive Session for the purpose of discussing the evaluation of the G.M.

The meeting was adjourned at 7:30 pm.

Sarah Brennan, Board Administrator